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June 30, 2017

VIA ELECTRONIC FILING

Mrs. Jocelyn Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: Proposed Pilot Closure – Business Energy Report (BER)
Docket Number: 2015-177-E

Dear Mrs. Boyd:

In accordance with Order No. 2015-418 issued by the South Carolina Public Service Commission (the “Commission”) on June 3, 2015 in Docket No. 2015-177-E, Duke Energy Carolinas, LLC (“DEC” or the “Company”) hereby requests to terminate the Business Energy Report Pilot Program (“BER” or the “Pilot”). The purpose of the Pilot was to engage customers in understanding energy usage by providing comparative usage data for similar businesses in the same geographic area to motivate customers to become more efficient and reduce energy usage. The Pilot was also designed to assist customers in assessing their energy usage and provide recommendations for more efficient use of energy in their businesses.

In the course of the Company’s efforts to effectively manage the Pilot, concerns have arisen regarding the long-term outlook of the Pilot and its ability to be commercialized. The preliminary internal energy savings analysis performed by the Company caused it to question the Pilot’s ability to achieve the assumed energy savings associated with the program which casts significant doubt as to the Pilot’s on-going cost-effectiveness. In light of these issues and in order to minimize the costs borne by our customers, the Company believes terminating the Pilot offering at this time is the prudent course of action.

Financial analysis performed at the DEC system level, indicates that approximately \$900,000 of Portfolio Performance Incentive and Net Lost Revenue associated with the Pilot have already been and are forecasted to be collected, and will need to be credited back to customers during the Company’s 2018 EE/DSM Rider filing. An early termination of the Pilot and the cancelation of formal evaluation measurement and

verification will avoid approximately \$83,000 in additional costs.

Attached is the existing Pilot tariff (Attachment A) and the closure communication to existing participants (Attachment B).

DEC respectfully requests Commission approval of the Company's request to terminate the Pilot tariff on July 31, 2017.

Please feel free to contact me should there be any questions or issues.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rebecca Dulin". The signature is fluid and cursive, with the first name "Rebecca" being more prominent than the last name "Dulin".

Rebecca J. Dulin

Enclosures

cc: Parties of Record

Attachment A

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Original Leaf No.178

BUSINESS ENERGY REPORT PROGRAM (SC) (PILOT)

PURPOSE

The purpose of this pilot program is engage customers in understanding energy use by providing comparative usage data for similar businesses in the same geographic area to motivate customers to become more efficient and reduce energy usage. The pilot program will assist customers in assessing their energy usage and provide recommendations for more efficient use of energy in their businesses. The pilot program will also help identify those customers who could benefit most by investing in new energy efficiency measures, undertaking more energy efficient practices and participating in other Duke Energy programs.

PROGRAM

- This pilot program is available at the Company's option to general service customers served on Duke Energy Carolinas' general rate schedules from Duke Energy Carolinas' retail distribution system.
- For the purposes of this pilot program similar customer groups will be based on type of business, operating hours, square footage, geographic location, weather data and heating/cooling sources. Potential market segments include but are not limited to the following: office space, public assembly (e.g. places of worship, membership organizations), grocery/convenience stores, retail establishments, restaurants, warehouses, lodging, elementary and secondary schools.
- Customers will receive periodic comparative usage data reports via direct mail or online channels.
- The Company may require a minimum number of months of historical usage data before allowing participation.



<<Date>>

<<First Name>> <<Last Name>>

<<Mailing Address>>

<<City>>, <<State>> <<Zip Code>>

Dear <Customer Name>,

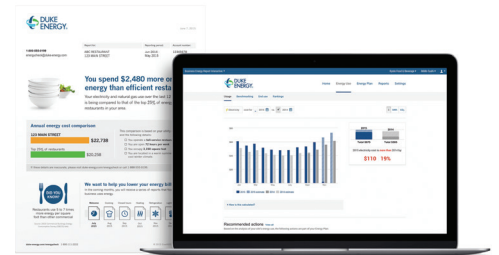
You were selected to participate in our Business Energy Report pilot. As a participant, you've received mailed or emailed energy reports for your business. We continually evaluate opportunities to provide our customers with products and services to help save energy and money. **At this time, Duke Energy has decided to discontinue the Business Energy Report program to evaluate other products and services that may be better suited for your business.**

You will have access to all of your Business Energy Reports at duke-energy.com/BER until June 30, 2017. If you'd like to provide feedback on the Business Energy Report program, please contact us at 800.979.9144 or BusinessEnergyReport@duke-energy.com.

To learn more about our suite of energy-saving programs and services, please visit duke-energy.com/business/savings.

Sincerely,

Susana Ayala
Product & Services Manager



**Business Energy Reports
are available at
duke-energy.com/BER
until June 30, 2017.**